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Date: July 28, 1993

To: Secretary  
Federal Communications Commission  
Room 222  
1919 M Street, N.W.  
Washington, D.C. 20554

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Re: Implementation of Sections of the Cable Consumer  
Protection and Competition Act of 1992 - Rate Regulation;  
MM Docket No. 92-266

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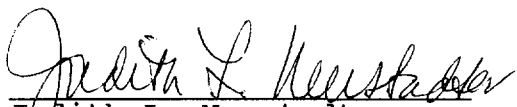
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Judith L. Neustadter  
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Before the  
FEDERAL COMMUNICATIONS COMMISSION  
Washington, D.C. 20554

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MM Docket 92-206

In the Matter of )  
 )  
Implementation of Sections of )  
the Cable Television Consumer )  
Protection and Competition Act )  
of 1992 )  
Rate Regulation )

REPLY OF PARADISE TELEVISION NETWORK, INC.,  
TO OPPOSITIONS TO ITS PETITION FOR PARTIAL RECONSIDERATION

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July 28, 1993

Attorneys for Paradise  
Television Network, Inc.

Before the  
FEDERAL COMMUNICATIONS COMMISSION  
Washington, D.C. 20554

In the Matter of )

Implementation of Sections of )

MM Docket 92-266

commercial leased access would allow cable operators to set rates so high that it would force PTN and similarly situated programmers off the air. This would be directly contrary to the stated purpose of the Cable Television Consumer Protection and Competition Act of 1992 of promoting competition and diversity.

By using the fixed maximum per subscriber amount suggested by PTN, there would be no subsidy or preferential treatment. Advertiser-supported programmers would be able to earn a reasonable profit, as would the cable operators.

## II.

In the opposition filed by Bend Cable Communications, Inc., et al., the cable operators cite an example whereby one of the operators allegedly used the Commission's implicit fee methodology in setting leased channel rates since 1991. According to the cable operators, certain programmers agreed, without hesitation, to pay channel lease rates derived pursuant to this method.

The cable operators do not identify the programmers, the location, the actual formula used, or, most importantly, the actual dollar per subscriber amount purportedly paid by these programmers. It is difficult for PTN to analyze or evaluate the cable operator's example in this kind of vacuum.

Without this information, the Commission should disregard the cable operator's example in determining the viability of the highest implicit fee formula.

As stated in PTN's petition, under one scenario, a Maui cable operator could arguably assert that the rate to lease a

channel to serve 18,000 subscribers would be \$18,000 per month, well in excess of current rates and well beyond the rates that could be paid by an advertiser-supported programmer in a small community. Without actual dollar amounts from other examples, they simply should not be considered.

Respectfully submitted,

PARADISE TELEVISION NETWORK. INC.

CERTIFICATE OF SERVICE

I hereby certify that on the date hereof I caused a copy of the foregoing to be duly served via first-class postage prepaid mail to the following:


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DATED: Wailuku, Maui, Hawaii, July 28, 1993.

  
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